

AUCTION DIGEST

NEWSLETTER OF THE VIRGINIA AUCTIONEERS BOARD

Department of Professional & Occupational Regulation

Volume 1 - Fall 2003

BOARD INFORMATION

Board Members:

Larry J. Linkous, Chair Samuel K. Updike, Vice-Chair James H. Perkinson Beverly B. Darby * Donna Newcomb * * Public Members

Board Staff:

Mark N. Courtney— Executive Director

Marian H. Brooks— Board Administrator

Trisha L. Henshaw— Administrative Assistant

Licensing Specialists
Arlene C. Johnson
Joan B. Leonard
Oldther B. Pretlow
Toni H. Spencer

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Welcome to the AUCTION DIGEST!

Auctioneers Board's new newsletter, AUCTION DIGEST! AUCTION DIGEST! AUCTION DIGEST! AUCTION DIGEST! AUCTION DIGEST! AUCTION DIGEST is intended to provide you with news and updates from the Board. We hope to provide you with informative and interesting articles that will enlighten you as to the Board's activities, as well as providing you with information to help you remain in compliance with the Board's regulations.

Each issue of **AUCTION DIGEST** will include several standard items, such as examination statistics, recent disciplinary actions, and contact information. In addition, we hope to provide you with other articles that address commonly asked questions, recent issues that have come before the Board, and other information relevant to your profession. And we would certainly welcome any suggestions for articles from you, the regulants of the Auctioneers Board!

AUCTION DIGEST will be drafted periodically and will be available for viewing on the Department's website. Additionally, past issues of the newsletter will also be available on the Department's website so that you can continue to refer to it as questions or issues come up in your practice that may have been addressed in a past newsletter.

We thank you for taking the time to read **AUCTION DIGEST** and, as always, appreciate any suggestions or comments you can provide to help make this newsletter a useful and informative resource. •

WELCOME!!



Everything You Ever Wanted to Know About Bonds

uctioneer licensees are required to renew their licenses every two years. Renewal notices are sent to regulants of the Board approximately 45 days before the expiration date on the license as a reminder to renew the license. Along with the renewal notice and required fees, proof of a current bond that commences no later than the effective date of the license and expires no sooner than the expiration date of the license in at least the amount of \$10,000 must be submitted to the Board office in order for the license to be updated. If the fee is not received, or proof of the required bond is not received, or if the bond does not meet the Board's requirements, then the license will not be updated.

If you have not changed bond companies, you must submit the renewal/continuation certificate issued by your bond company that shows that your bond will run with the next two-year term of your license. If you have changed bond companies, you must submit the new bond that shows that your bond will run with the next two-year term of your license.

We often get phone calls from licensees who, upon discovering that their license has expired, state that the bond/insurance company was supposed to submit the bond to the Board office. Please be aware that you, as a regulant of the Board, are responsible for maintaining your license. While there is a 30-day grace period for renewing your license without penalty, you may not practice during any time that your license is expired. If you do not receive your updated license in the mail within a reasonable time, you should check with the Board office to verify that your bond has been received.

Please note that in addition to a bonds for your individual license, all auctioneering firms must have a current bond that meets the requirements above, as well. •

Introducing . . . On-Line Payments

icensees of the Board are now able to pay renewal fees for licenses on-line. This service is available 24 hours a day, 7 days a week to all boards within the Department of Professional and Occupational Regulation. The on-line renewal service is available to all licensees whose license expires August 31, 2003, or later. The licensee also has the option of updating their address if necessary.

On the renewal notices, which will continue to be mailed approximately 45 days prior to the expiration of the license, the licensee is provided with a temporary PIN number to access the on-line renewal service. The licensee then has the option of renewing on-line or by mail. On-line renewal payments must be made by credit card. Please note that your license cannot be renewed until proof of the required bond is received (see previous article). Even if the payment is made on-line in a timely manner, the license would be considered expired until such time as the required bond information is received in the Board office, and could be subject to additional renewal or reinstatement requirements.

Late payments and reinstatement fees CANNOT be paid on-line. Also, please note that the Board office must have an auction firm's tax ID number in order for firm renewal payments to be made on-line. Additionally, the firm license cannot be updated until proof of the required bond is received.

Did You Know . .

MUST contain the auctioneer's name and Virginia license number or the auction firm's name and Virginia license number. The name and number must be clearly displayed within the advertisement. Failure to do so could result in disciplinary action by the Board. ❖

Meet the Auctioneers Board Members

The Virginia Auctioneers Board consists of five members, three licensed auctioneers and two public members, who are appointed by the Governor. Following is a brief introduction of each Board member currently serving on the Board.

Larry J. Linkous

Larry J. Linkous is currently serving as Chair of the Virginia Auctioneers Board. Mr. Linkous, a licensed auctioneer, was appointed to the Board in July 2000.

Mr. Linkous was educated in Montgomery County and attended Virginia Tech. He has been an active member of the business community in Montgomery County for over 30 years. Mr. Linkous began an auction service in 1972, was licensed as a Virginia Real Estate salesman in 1978, and was also certified as a personal property appraiser. Mr. Linkous has served, and currently serves, as a member of various boards, commissions, associations, and organizations. In addition, Mr. Linkous has received several commendations, including being named Small Business Person of the Year (1989) and 2001 Distinguished Citizen of the Year by the Greater Blacksburg Chamber of Commerce, an Outstanding Young Man in America in 1984, 1995 Virginia State Champion Auctioneer, 2000 Auctioneer of the Year, and he was inducted into the Virginia Auctioneers Hall of Fame in 2003. Mr. Linkous also is a former candidate for the Virginia House of Delegates.

In addition to his many civic contributions, Mr. Linkous has conducted many fundraisers which have raised thousands of dollars for local charitable organizations. Mr. Linkous resides in Blacksburg with his wife, the former Charlotte Johnson of Hot Springs, Virginia, and has one son and one step-son.

Samuel "Buddy" K. Updike

Samuel K. "Buddy" Updike is currently serving as Vice-Chair of the Board. Mr. Updike, a licensed auctioneer,

was first appointed to the Board in July 1997, and reappointed in July 2001.

Mr. Updike graduated from Bedford High School in 1961, and then Lynchburg College in 1966. He received his Master's degree in Administration from Lynchburg College and the University of Virginia. Additionally, Mr. Updike obtained the CAI designation from Indiana University in 1991, which is the highest educational degree in auctioneering. Mr. Updike also taught at, and was a basketball coach for, King George County High School from 1966 to 1985. In addition to many other accolades, Mr. Updike won the Virginia Auctioneer's Association State Bid Calling Championship in 1985, was Virginia Auctioneer of the Year in 1995, was elected to the Virginia Auctioneer Association Hall of Fame in 2000, and has been a finalist in several international auctioneering contests on the national level, and was the first Virginia Auctioneer to make the finals of the international contest. Mr. Updike has also served in leadership positions in the VAA and on the Board of Directors. Mr. Updike has also served as chaplain of the VAA for the past several years.

Mr. Updike owns his own business, The Auction Man, and annually conducts over 150 auctions. Mr. Updike is a member of the Fredericksburg Baptist Church. His hobbies include antiques, fishing, photography, auctions, and Corvettes. Mr. Updike resides in Mineral, Virginia, with his wife of 36 years, the former Donna Ann Arthur of Bedford, Virginia.

J. H. Perkinson

J. H. Perkinson, a licensed auctioneer member, was appointed to the Board in October 2002.

Mr. Perkinson, originally from Raleigh, North Carolina, has been in the Richmond area since 1961. Mr. Perkinson sold cars for Hyman Bros. Pontiac and then spent 16 years with Pitney Bowes Mailing Equipment Co. Mr. Perkinson's first auction experience was doing charity sales for PTA's at schools. For the past 20 years, Mr. Perkinson has been in the process service and auction business with his firm Servor, Inc. Mr. Perkinson specializes in bankruptcy sales, creditor sales, and commercial sales.

(Continued from page 3)

Mr. Perkinson's hobbies include singing with the Good News Gospel Quartet, Acca Shrine band, playing in a small combo, and AT golf.

Donna Newcomb

Donna Newcomb, a public member, was appointed to the Board in December 2001.

Ms. Newcomb was raised in Richmond, Virginia, along with her identical twin sister. After attending John Tyler Community College School of Nursing, Ms. Newcomb was employed at Richmond Orthopaedic Clinic where she was secretary and medical assistant to several orthopaedic surgeons for approximately 16 years. During that time, Ms. Newcomb raised her 2 children. For the past 8 years, Ms. Newcomb has worked in antique sales, doing shows and conducting estate sales.

In her free time, Ms. Newcomb and her husband Lynn, a retired educator for Chesterfield County Public Schools, enjoy canoeing, trekking, and adventure travel.

Beverly Bradberry Darby

Beverly B. Darby, a public member, was appointed to the Board in January 2002.

Ms. Darby graduated from the University of Virginia's College at Wise with a Bachelor of Arts Degree in Business and Public Administration. She began her career by working for AT&T Communications in Management Employment and Government Engineering until she and her husband, Ted, started their family. A few years were filled with the joys of children, and working part time for Fairfax and Henrico County Public Schools until her children were enrolled full time. Ms. Darby resumed her career in the Secretary of the Commonwealth's office as Director for Governor Gilmore's Gubernatorial Appointments, and as the Commonwealth's Conflict of Interest Specialist. She is now the Director of Constituent Services for Attorney General Jerry Kilgore.

New Law Regarding Absolute Auctions

Il Virginia licensed auctioneers were recently sent a memorandum containing the text of Senate Bill 761 which was passed by the General Assembly and signed into law by the Governor. The provisions of this bill amend § 54.1-600, and create § 54.1-607, of the Code of Virginia.

This new statute provides a definition of "absolute auction," codifies the Board's regulation on advertising (the terms of regulation 18 VAC 18 VAC 25-21-100.A are incorporated into § 54.1-607.A), and establishes a requirement for advertising an auction sale of real property (see § 54.1-607.B). These changes became effective on July 1, 2003.

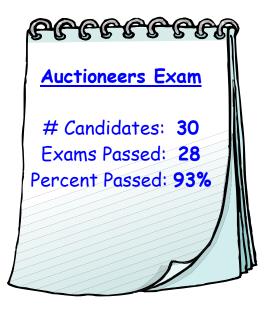
Please read and become familiar with the provisions of § 54.1-607 of the Code of Virginia, as failure to comply with the provisions of this law may result in disciplinary action by the Auctioneers Board. ❖

Did You Know

f you conduct an auction where used bedding and upholstered furniture may be sold, you may be subject to additional requirements imposed by the Virginia Department of Health. § 32.1-215 of the Bedding and Upholstered Furniture Law states in part that "No person shall rent, offer to expose for sale, barter, give away, or dispose of in any other commercial manner any article of bedding or upholstered furniture . . . unless since last used such secondhand article has been sanitized by a reasonable process approved by Commissioner." The Virginia Department of Health has a specific website devoted to the Virginia bedding law, which you can access at: http://www.vdh.state.va.us/epi/bed/index.htm +

Examination Statistics

he following statistics are a compilation of the Virginia candidates who sat for the Auctioneers examination between January 1, 2003, and April 30, 2003.



Auctions Involving the Sale of Firearms

he Board office is frequently asked questions regarding requirements for auctioning firearms. While the Virginia Auctioneers Board regulates the profession of auctioneering, the sale of firearms is regulated by the Bureau of Alcohol, Tobacco, and Firearms (ATF). A good deal of information regarding firearm sales as it relates to auctioneering can be found on the ATF's website at http://www.atf.gov.

In addition to the ATF, an auctioneer considering auctioning firearms should contact the local police station or sheriff's office to determine whether or not the locality has any requirements regarding this matter. ••



License Reinstatement vs. Renewal

pproximately 45 days prior to the expiration date of a license, a renewal card is sent to the licensee outlining the amount due and the procedures for renewal. If the licensee does not receive the renewal card, he or she is still obligated to renew the license and submit all required bond documentation in a timely manner.

Failure to renew the license within 30 days after the license expires will result in the licensee being required to pay a late renewal fee. If the license has been expired for six months or more, but less than two years, the licensee must apply for reinstatement of the license. Once the reinstatement application has been submitted to the Board, it is evaluated to determine if the applicant meets the renewal requirements. If the reinstatement application is approved, the license will be reinstated and will be deemed as having been continuous without interruption. In the even that a licensee violates a law or regulation during the time period before the license was reinstated by the Board, the Board has the authority to discipline the license holder for the violation if disciplinary action is warranted.

After the license has been expired for two years or more, the applicant must submit a new application and meet current entry requirements that are in effect as of the date the application is received by the Board office. The applicant would also be required to submit the examination fee and sit for and pass the Virginia License Auctioneer's Examination or apply through reciprocity (see article page 7). Any auctioneering activity conducted between the time the previous license expired and the effective date of the new license shall be considered unlicensed activity.

This information is meant to provide a summary of the renewal and reinstatement requirements found in Part III of the Board's regulations; however, it should not be relied on exclusively, Please refer to the Board's regulations for more information.

The Department's Website: A Helpful Resource

he website for the Department of Professional and Occupational Regulation has many things that may be helpful to both licensees and the public. The website can be accessed by going to http://www.state.va.us/dpor. The Department strives to continuously update and improve its website so that it can be a helpful and user-friendly resource for everyone. In addition to the on-line payment system that will soon be available, the Department's website also offers many other helpful tools. Following are a few of the resources that can be found on the Department's website:

License Lookup—The License Lookup feature allows you to search for regulant information for all professions regulated by the Department. You may search by name, license number, or zip code. In addition, disciplinary action information is available for all actions taken by boards after April 2002.

Board Regulations—All regulations, along with links to relevant references in the Code of Virginia, for the boards housed within the Department can be found on the website.

Application Forms—The website contains the most up-to-date application forms available. The application forms that are available include the examination application, reciprocity application, training course approval application, bond forms, reinstatement application, and the listing of approved schools and reciprocal states.

Other Forms—In addition to the application forms mentioned above, you can also find the complaint form, name or address change form, and the credit card payment form.

A great deal of other information is available on the website, including examination information, consumer information, and current Board member listings. Please take an opportunity to explore and see what may be useful to you. ❖

Business Registrations

did you know that in addition to the licensure requirements for individuals conducting auctions, all businesses that are involved in the auction business must be licensed as well? Any business that is involved in offering or conducting auctions must complete a firm license application and submit it to the Board for approval (except for sole proprietorships which must have an individual auctioneer license).

The firm license application must be accompanied by the appropriate firm license application fee, certified true copies of the articles of incorporation, bylaws and charter, and, if a foreign corporation, a certificate of authority issued by the Virginia State Corporation Commission. Additionally, like individual applications, firm applications must include documentation of a surety bond in at least the amount of \$10,000 that commences no later than the effective date of the license and expires no sooner than the expiration date of the license.

A foreign corporation includes any business organized under laws other than the laws of Virginia. If you need information regarding obtaining a certificate of incorporation (Virginia based businesses) or a certificate of authority (foreign businesses) please contact the State Corporation Commission at (804) 371-9733.

This information is meant to provide a summary of the requirements for registering your business; however, it should not be relied on exclusively. Please refer to the Board's regulations and/or contact the Board office at



Licensing by Reciprocity

here are two methods for becoming licensed as an auctioneer in Virginia. One way is by taking the Board-approved examination, the other way is through reciprocity. A person who wishes to become licensed in Virginia through reciprocity would not have to be subject to an examination provided the requirements and standards under which the license was issued in the reciprocal state are substantially equivalent to those established by the Board. The person who is applying for licensure by reciprocity would need to be currently licensed in the reciprocal state. Likewise, a person currently licensed in Virginia would be able to apply for an auctioneers license by reciprocity with another state with whom the Board has established a reciprocity agreement. The states with which the Virginia Board has reciprocal agreements are:

Alabama N. Carolina
Florida Pennsylvania
Georgia S. Carolina
Indiana Tennessee
Kentucky Texas
Louisiana W. Virginia

Please note that the Board may deny an application if the licensed auctioneer has been found guilty by any regulatory board or agency of violating any regulations or laws in the course of performing auctioneering duties, or by a court of any criminal offense or material misrepresentation in the course of performing auctioneering duties. Please see 18 VAC 25-21-40 for more information regarding licensure by reciprocity. ❖

Disciplinary Actions

he following is a summary of actions taken against regulants by the Virginia Auctioneers Board. Although every effort is made to ensure that the information is correct, before making any specific decision based upon this information, you should check with the Board office to ensure accuracy. The disciplinary actions below only include those actions taken by the Board since January 1, 2003. Please contact the Board office if you need disciplinary action information prior to January 1, 2003.

FILE NUMBER 2002-1465, Troy E. Graham, Jr.

VIOLATION—In September 2001, a seller entered into a contract with Graham to sell items of personal property at public auction. During the course of performing his auctioneering duties, Graham violated several of the Board's regulations, including violations related to the contract, providing documentation to seller, disbursement of proceeds, and providing of documentation to the Board's agent. BOARD ACTION-Final Opinion and Order imposing revocation of Graham's auctioneers license number 2905 001954. **REGULATIONS VIOLATED**— (1998) 18 VAC 25-21-110.2; 18 VAC 25-21-110.3; 18 VAC 25-21-110.4; 18 VAC 25-21-110.5; 18 VAC 25-21-110.6; 18 VAC 25-21-110.7; 18 VAC 25-21-110.8; 18 VAC 25-21-140; 18 VAC 25-21-150.C; 18 VAC 25-21- 180.A.5; 18 VAC 25-21-170,B; and 18 VAC 25-21-180,A,3 EF-FECTIVE DATE—January 9, 2003

FILE NUMBER 2002-03487, Donald H. Mudd

VIOLATION—In February 2002, Mudd entered into a final order with the Louisiana Auctioneers License Board for violations regarding deceit or perjury in obtaining a certificate of license. As a result, Mudd was fined and his auctioneers license for the 2001 calendar year was revoked. BOARD ACTION—Final Opinion and Order imposing a two-year inoperable suspension of Mudd's license number 2905 001212. REGULATIONS VIOLATED—(2002) 18 VAC 25-21-180.A.3 EFFECTIVE DATE—April 10, 2003 ❖

CALENDAR OF EVENTS Please note that meetings usually begin at 10:00 a.m. at the Department offices located at 3600 West Broad Street, Richmond, Virginia.							
January 15	Auctioneers Board Meeting		April 8	Auctioneers Board Meeting			
July 8	Auctioneers Board Meeting		October 7	Auctioneers Board Meeting			
AUCTIONEERS BOARD MEMBERS							
Licensed Members Larry J. Linkous * (1st 4 year term ends 6/30/04) J. Hartwell Perkinson (1st 4 year term ends 6/30/06) Samuel K. Updike, Jr. ** (2nd 4 year term ends 6/30/05)			Public Members Beverly B. Darby (Unexpired term ends 6/30/05) Donna Newcomb (Unexpired term ends 6/30/04)				
* Board President, ** Board Vice-President							
IMPORTANT TELEPHONE NUMBERS							
Licensing or Applications		(804) 367-8512 or -8506	Examination Vendor (Experior)		(800) 356-3381		
Board Administration		(804) 367-8514	Complaints		(804) 367-8504		
IMPORTANT WEB SITE AND E-MAIL ADDRESSES							
Dept. Web Site	e ht	tp://www.state.va.us/dpor	Board E-mail	auctioneers@dpor.state.va.us			
Experior Testi	g http://www.experioronline.com						

MOVING? PLEASE	NOTIFY THE BOARD OFFICE OF YOUR NEW ADDRESS.
Name:	
License Number:	
Old Address:	
New Address: (P.O. Box <u>must</u> be accompanied by your physical address)	
your physical address;	
Signature:	
Date:	
•	Mail to:

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